

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF HENDRON WATER)	
DISTRICT TO ESTABLISH A BULK WATER)	
RATE FOR A COIN-OPERATED DISPENSER)	CASE NO. 94-339
AND TO INCORPORATE A RENTAL)	
PROPERTY WATER BILL TRANSFER POLICY)	

O R D E R

On October 20, 1994, Hendron Water District ("Hendron") filed an application with the Commission seeking approval to establish a bulk water rate for a coin operated dispenser and to incorporate an optional rental property water bill transfer policy into the District's Rates, Rules and Regulations.

Hendron's proposed bulk rate of \$.50 per 100 gallons was based on the cost of the coin operated bulk water dispenser carried at an 8 percent annual rate of interest plus \$100 for annual maintenance costs. These costs total \$625.94 annually or \$52.16 monthly which are to be recovered through estimated monthly water sales of 10,000 gallons from the bulk sales dispenser.

Hendron also proposed to incorporate an optional Rental Property Water Bill Transfer Policy into the existing Rates, Rules and Regulations. This policy will allow service to rental property to be supplied continuously during periods when the property is vacant. This policy will also allow responsibility of service to be transferred by telephone. Participation in this program by property owners and agents is voluntary.

After reviewing the evidence of record and being otherwise sufficiently advised, the Commission finds that the bulk water rate as set forth in the Appendix to this Order and the rental property water bill transfer policy are fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The bulk water rate set forth in Appendix A to this Order is approved for service rendered on and after the date of this Order.

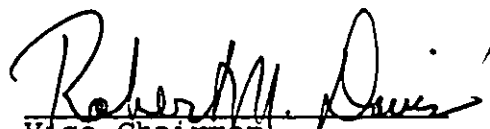
2. The rental property water bill transfer policy as set forth in Hendron's proposed tariff is approved for service rendered on and after the date of this Order.

3. Within 30 days of the date of this Order, Hendron shall file its revised tariff sheets setting out the changes approved herein.

Done at Frankfort, Kentucky, this 12th day of December, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 94-339 DATED December 12, 1994

The following rates and charges are prescribed for the customers in the area served by Hendron Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Bulk Water Rate for Coin Operated Water Dispenser
Applying to Both Service Areas: \$0.50/100 Gallons